

BISMARCK CITY EMPLOYEE PENSION PLAN

State Investment Board Balance Sheet As of 6/30/2004

	As of <u>6-30-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 12,239,317	\$ 10,495,915
INTERNATIONAL EQUITIES	1,173,643	1,089,986
DOMESTIC FIXED INCOME	11,129,896	9,841,196
INTERNATIONAL FIXED INCOME	506,802	429,354
REAL ESTATE	791,081	649,848
VENTURE CAPITAL	234,246	214,566
INVESTED CASH (NOTE 1)	<u>243,769</u>	<u>226,256</u>
TOTAL INVESTMENTS	26,318,754	22,947,121
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	53,565	34,656
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>2,776,415</u>	<u>1,781,350</u>
TOTAL ASSETS	<u>\$ 29,148,734</u>	<u>\$ 24,763,127</u>
LIABILITIES:		
ACCOUNTS PAYABLE	17,696	13,671
SECURITIES LENDING COLLATERAL (NOTE 2)	<u>2,776,415</u>	<u>1,781,350</u>
TOTAL LIABILITIES	2,794,111	1,795,021
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	22,968,106	21,573,002
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>3,386,517</u>	<u>1,395,104</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>26,354,623</u>	<u>22,968,106</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 29,148,734</u>	<u>\$ 24,763,127</u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2004

	Month Ended <u>6-30-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 59,592	\$ 722,145
SECURITIES LENDING INCOME	<u>2,553</u>	<u>24,698</u>
	62,145	746,843
 GAIN ON SALE OF INVESTMENTS	 205,109	 3,565,449
LOSS ON SALE OF INVESTMENTS	<u>192,217</u>	<u>2,417,999</u>
 NET GAINS (LOSSES) INVESTMENTS	 12,892	 1,147,450
 INVESTMENT EXPENSES	 8,842	 71,632
SECURITIES LENDING EXPENSES	<u>2,094</u>	<u>20,239</u>
 NET INVESTMENT INCOME	 64,101	 1,802,422
 NET APPREC (DEPREC) MARKET VALUE	 352,178	 1,622,688
MISCELLANEOUS INCOME/(EXPENSE)	<u>(6,815)</u>	<u>(38,593)</u>
 TOTAL INVESTMENT INCOME	 <u>409,464</u>	 <u>3,386,517</u>
 NET INCREASE (DECREASE)	 <u>\$ 409,464</u>	 <u>\$ 3,386,517</u>

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Notes To Financial Statements
June 30, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 4 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.